E-rate and the FCC Registration Number:
Advice from the ALA's E-rate Task Force
(October 8, 2004)

In the FCC's Fourth Order released July 30, 2004, it was made clear that commitment adjustments (COMADs) to recover funds for program violations or for "unlawfully distributed funds" will now apply to both applicants and service providers. In the FCC's Fifth Order, released August 13, 2004, the FCC amended their rules to implement the Debt Collection Improvement Act of 1996 (aka, the "red light" rule). This Act governs the collection of claims owed to the United States, including claims owed under the universal service support mechanism. The new FCC rule requires *applicants* and *service providers* in the E-rate program to obtain what is called an FCC Registration Number.[*] From a broader perspective this is part of continuing efforts by the Commission to combat waste, fraud, and abuse.

There has been much confusion as to just who must obtain an FCC registration number and the deadline for doing so. (The FCC has indicated a deadline of November 1 but there are no legal penalties for not getting a number by this date.) The FCC continues to resolve issues related to this new requirement, and until the FCC/SLD offers official guidance on this matter we recommend the following course of action:

- If you are the Billed Entity Applicant, that is, you are the entity responsible for paying the bills and submitting the Form 471, we recommend that you move forward to obtain an FCC registration number. You may do so at https://svartifoss2.fcc.gov/cores/CoresHome.html. (See directions below)

- If you are a recipient of service, that is, you are listed on the Block 4 worksheet of Form 471 but you are not the Billed Entity Applicant, we recommend that you wait for further official guidance from the FCC /SLD before obtaining an FCC registration number.

  We are hopeful that further guidance will make clear that it will *not* be necessary for recipients of service who are not also Billed Entity Applicants to obtain an FCC Registration number. Since the purpose of obtaining this number is to facilitate debt recovery, and since it is the Billed Entity Applicant who, by definition, is the entity responsible for paying the bills and for submitting the Form 471 on behalf of recipients of service, we are hopeful that this matter will be clarified to limit the requirement to obtain an FCC Registration Number to just the Billed Entity Applicants who submit Forms 471.

We will keep you posted as further information becomes available.

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[*] Unfortunately the FCC Registration Number is abbreviated as "FRN." This is not to be confused with the E-rate's more common use of FRN which refers to the Funding Request Number.

Applying for an FCC Registration Number for Billed Entity Applicants

Note: The instructions below are based on registering the Billed Entity Applicant. They do not address registering individual recipients of service (e.g., often individual schools or library branches) that are not also the Billed Entity Applicant.

Before you can obtain an FCC Registration Number you will need your school district's or library's Employer Identification Number (EIN). The EIN is a nine-digit number that the Internal Revenue Service requires of all employers for tax purposes. If you do not know this number, contact your business office or business manager.

The Registration Number application process is done via the Web and is not difficult. It will take approximately 5 minutes to complete the information for each Billed Entity. To obtain a number, go to the FCC's Website at https://svartifoss2.fcc.gov/cores/CoresHome.html and do the following:

1) Select the "register" option.

2) For Registration Type, accept the defaults of "business" and "Yes", and click "continue."

3) On the next screen, enter the information requested.

> For ***Business Type***, and ***Subtype:***[†] On the dropdown box:
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>> *Public Libraries:* Select "State or Local Agency." Select the closest subtype, which is probably "County," "Township," or "State or Local Commission".
>>
>> *Public Schools:* Select "State or Local Agency." Select the closest subtype, which is probably "State or Local Commission."
>>
>> *Non-public Schools:* Select "Private Sector." Select the closest subtype, which is probably "Non-Profit/Exempt Organization."
>
> For ***Business Name:*** Enter the name of the Billed Entity Applicant as it is entered on Form 471.
>
> For ***Contact Information and Password:*** Enter the information as requested. It is recommended that you enter the same address as was entered when you obtained your Entity Number.[‡] Leave the "Organization" window blank.

4) When you are finished, carefully review your information. When all data elements are correct, press the "submit" button. You will then be assigned an FCC Registration Number for that Billed Entity. Be certain to print off the verification page and save the information in an electronic file.

[†] For subtype, there is no penalty for whatever option you select from the list.
[‡] See http://www.sl.universalservice.org/Utilities/BilledEntitySearch_Public.asp for Entity Number search.